

PUBLIC INFORMATIONAL FACT SHEET RE S. 256 (“BANKRUPTCY BILL”)

This is the ninth year and the fifth different Congress to consider proposed bankruptcy legislation. On March 10, 2005 the U.S. Senate passed S. 256, commonly referred to as the “Bankruptcy Bill.” It makes many substantive and far-reaching changes in America’s bankruptcy laws. From the Senate, the bill will next move to the House of Representatives, where the Judiciary Committee could mark up the legislation as early as March 16, 2005. This bill is over 500 pages in length and, of course, will make significant changes in the nation’s bankruptcy laws once passed and enacted.

If the bankruptcy bill continues on this extremely fast legislative track in the First Session of the 109th Congress, it probably will reach the President’s desk in April 2005 and will take effect sometime in October 2005. The West Tennessee bankruptcy bar is a pragmatic and flexible one. Notwithstanding the many and wide-ranging changes in the new bankruptcy bill, the local bankruptcy community will make it work, as it did in 1979. It is recalled that the current Bankruptcy Code took effect in 1979 after almost 10 years of study; it also was voluminous and far-reaching. Actually, there are many provisions in the existing 1978 Bankruptcy Code that have not been changed by the new bill, unlike the original 1978 Code when everything changed. The West Tennessee bankruptcy bar and bench will rise to the occasion and will be ready for the new bill on its anticipated effective date in October 2005.

Bettye Bedwell, Esquire, an attorney who, along with Debbie Stevenson, Esquire, serves as a continuing legal education coordinator for the Memphis Bar Association Bankruptcy Section, has announced that the Bankruptcy Section will be scheduling a series of upcoming legal seminars for attorneys on the new bankruptcy laws prior to its effective date.

David S. Kennedy
Chief U.S. Bankruptcy Judge
Date: March 14, 2005